

Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

February 7, 2000

Robert B. Thomas Rancho Equipment Services 5626 North 3000 West Delta, Utah 84624

Rex Harris 223 South White Sage Avenue P.O.a Box 513 Delta, Utah 84624

Re:

Notification of File Closure, Rancho Equipment Services, Violet Red Beryl Project, S/001/011, and Rex Harris, Violet #5-8/Ruby #1-4, S/001/012, Beaver County, Utah

Dear Messrs. Thomas and Harris:

On January 27, 2000, the Director of the Division of Oil, Gas and Mining formally approved the form and amount of reclamation surety for Gemstone Mining, Inc.'s Ruby Violet large mining project. Subsequently, on February 7, 2000, Gemstone Mining, Inc. was granted final approval of the large mining project.

This large mining operation encompassed three other sites: 1) Red Beryl Exploration project #E/001/097, already permitted by Gemstone Mining; Violet/Red Beryl small mining permit #S/001/011 originally permitted by Rancho Equipment; and Violet #5-8/Ruby #1-4 small mining permit #S/001/012 originally permitted by Rex Harris. By approving Gemstone's large mining operation, we are hereby releasing Rancho Equipment and Rex Harris from any further mining or reclamation obligations at their respective sites. The respective files will be closed and archived. The BLM concurred with this release by letter dated January 28, 2000 (copy attached).

You will no longer be responsible for any further mining or reclamation obligations associated with these sites. If you have any questions pertaining to this letter, please contact me or Tom Munson at (801) 538-5286 or 538-5321 respectively.

Sincerely

D. Wayne Hedberg

Permit Supervisor

Minerals Regulatory Program

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Ed Ginouves, BLM, Cedar City FO (UTU-68565 & UTU-68581)

Attachment: BLM 1/28/00 letter

thomas-harris-rel